



AGENDA BILL APPROVAL FORM

Agenda Subject: March 2013 Financial Report		Date: May 2, 2013
Department: Finance	Attachments: Monthly Financial Report	Budget Impact: \$0
Administrative Recommendation:		
<p>Background Summary: The purpose of the monthly financial reports is to summarize for the City Council the general state of Citywide financial affairs and to highlight significant items or trends that the City Council should be aware of. The following provides a high level summary of the City's financial performance. Further detail can be found within the attached financial report.</p> <p>The March status report is based on financial data available as of April 18, 2013. Sales tax information represents business activity that occurred in January 2013.</p> <p><u>General Fund:</u> The general fund is the City's largest fund and is used to account for the majority of City resources and services except those required by statute or to be accounted for in another fund.</p> <p>Through the first quarter of 2013, general fund expenses totaled \$12.5 million and compare to expenditures of \$11.0 million for the same period last year. The increase in year-over-year expenses are mostly due to the payment of SCORE debt service principal (prior to 2013, debt service payments were interest only) and increased payments for incarceration services (current period payments are based upon prior year City inmate counts).</p> <p>General fund revenues through the first quarter of 2013 was \$10.6 million were not sufficient to meet General Fund expenditures and compare to prior year actuals of \$9.6 million. The increase in revenue is primarily due to increased new construction activity and the related fees (building permits and plan check fees) generated from this activity.</p> <p>During the month of March, 625 pet licenses were sold resulting in \$16,360.00 in revenue. Year-to-date, 1,256 licenses have been sold bringing in a total of \$34,510.00.</p> <p><u>Enterprise Funds:</u> The City's eight enterprise funds account for operations with revenues primarily provided from user fees, charges or contracts for services.</p> <p>Through the end of the first quarter, the financial condition of each of the City's three utilities improved over the previous year. The Water fund ended the quarter with an operating income of \$7,700.00 (as compared to an operating loss of \$44,000.00 in the previous year); the Sewer fund ended with a \$304,800.00 operating loss (as compared to an operating loss of \$431,700.00 the previous year, excluding Metro); the Sewer-Metro Utility ended the first quarter a net operating loss of \$179,800.00; and the Storm Drainage fund ended with operating income of \$330,400.00 (as compared to an operating income of \$253,000.00 the previous year).</p> <p>The financial condition of the Golf Course improved over the previous year, ending the first quarter with an operating loss of \$254,100.00 as compared to an operating loss of \$284,300.00 for the same period last year. The improvement in the Golf Course financial performance reflect an increase in year-to-date rounds played – 5,589 as compared to 4,751 the previous year.</p>		

The financial condition of the Cemetery improved over the previous year, ending with a \$31,000.00 net operating income compared to an operating loss of \$32,400.00 for the previous year. The improvement in the Cemetery reflect an increase in operating revenue and a decrease in salaries/benefits expenditures. This is the best quarter the Cemetery has experienced in the past five years and is primarily due to the reduction of one FTE and strong marketing efforts.

Internal Service Funds:

Internal Service Funds provide services to other City departments and include functions such as Insurance, Facilities, Innovation and Technology, and Equipment Rental. By the end of the year, revenues received from charges to internal client departments are projected to be sufficient to meet expenses.

Investment Portfolio:

The City's total cash and investments at the end of March was \$105.2 million, compared to \$91.8 million the month prior. The increase in cash reflect proceeds received from the sale of utility construction revenue bonds in March.

Reviewed by Council & Committees:

- | | |
|---|---|
| <input type="checkbox"/> Arts Commission | COUNCIL COMMITTEES: |
| <input type="checkbox"/> Airport | <input checked="" type="checkbox"/> Finance |
| <input type="checkbox"/> Hearing Examiner | <input type="checkbox"/> Municipal Serv. |
| <input type="checkbox"/> Human Services | <input type="checkbox"/> Planning & CD |
| <input type="checkbox"/> Park Board | <input type="checkbox"/> Public Works |
| <input type="checkbox"/> Planning Comm. | <input type="checkbox"/> Other _____ |

Reviewed by Departments & Divisions:

- | | |
|---|--|
| <input type="checkbox"/> Building | <input type="checkbox"/> M&O |
| <input type="checkbox"/> Cemetery | <input type="checkbox"/> Mayor |
| <input checked="" type="checkbox"/> Finance | <input type="checkbox"/> Parks |
| <input type="checkbox"/> Fire | <input type="checkbox"/> Planning |
| <input type="checkbox"/> Legal | <input type="checkbox"/> Police |
| <input type="checkbox"/> Public Works | <input type="checkbox"/> Human Resources |
| <input type="checkbox"/> Information Services | |

Action:

Committee Approval: ☐ Yes ☐ No
 Council Approval: ☐ Yes ☐ No Call for Public Hearing ____/____/____
 Referred to _____ Until ____/____/____
 Tabled _____ Until ____/____/____

Councilmember: Partridge

Staff: Coleman

Meeting Date: May 20, 2013

Item Number:

General Fund Summary of Sources and Uses	2013			2012	2013 YTD Budget vs. Actual	
	Annual Budget	YTD Budget	YTD Actual	YTD Actual	Favorable (Unfavorable)	
					Amount	Percentage
Operating Revenues						
Property Tax	14,299,417.00	548,900.00	623,011.30	457,024.22	74,111.30	13.5%
Sales Tax	11,695,309.00	2,812,900.00	3,037,855.07	3,017,518.74	224,955.07	8.0%
Sales Tax - Annexation Credit	1,397,602.00	335,700.00	403,738.59	359,032.45	68,038.59	20.3%
Criminal Justice Sales Tax	1,225,059.00	299,200.00	378,229.20	343,891.17	79,029.20	26.4%
Brokered Natural Gas Tax	301,500.00	110,500.00	98,078.85	113,313.28	(12,421.15)	-11.2%
City Utilities Tax	2,991,933.00	695,500.00	860,062.50	627,942.30	164,562.50	23.7%
Admissions Tax	363,609.00	62,100.00	61,538.80	57,778.73	(561.20)	-0.9%
Electric Tax	3,340,500.00	857,000.00	786,368.23	812,586.09	(70,631.77)	-8.2%
Natural Gas Tax	1,201,900.00	303,300.00	244,173.48	295,288.92	(59,126.52)	-19.5%
Cable TV Franchise Fee	808,000.00	204,100.00	212,145.32	202,201.09	8,045.32	3.9%
Cable TV Franchise Fee - Capital	62,000.00	15,600.00	15,820.88	15,823.75	220.88	1.4%
Telephone Tax	2,032,574.00	505,300.00	395,980.31	481,944.03	(109,319.69)	-21.6%
Garbage Tax (external)	151,504.00	43,400.00	24,046.44	34,708.72	(19,353.56)	-44.6%
Leasehold Excise Tax	50,501.00	8,400.00	10,350.27	2,400.87	1,950.27	23.2%
Gambling Excise Tax	247,965.00	61,000.00	73,914.33	66,941.83	12,914.33	21.2%
Taxes sub-total	40,169,373.00	6,862,900.00	7,225,313.57	6,888,396.19	362,413.57	5.3%
Business License Fees	202,005.00	85,100.00	82,365.00	103,349.50	(2,735.00)	-3.2%
Building Permits	1,182,066.00	179,500.00	760,504.53	249,624.75	581,004.53	323.7%
Other Licenses & Permits	454,413.00	65,600.00	159,658.25	70,317.32	94,058.25	143.4%
Intergovernmental (Grants, etc.) - (1)	4,764,784.00	1,116,400.00	1,153,548.58	1,151,127.03	37,148.58	3.3%
Charges for Services:						
General Government Services	94,467.00	24,200.00	31,459.74	31,763.17	7,259.74	30.0%
Public Safety	17,300.00	4,800.00	8,999.75	59,263.25	4,199.75	87.5%
Development Services Fees	832,458.00	153,500.00	291,244.41	236,173.70	137,744.41	89.7%
Culture and Recreation	809,717.00	213,600.00	234,416.51	220,236.78	20,816.51	9.7%
Fines and Forfeits	1,556,500.00	441,100.00	356,040.88	425,426.33	(85,059.12)	-19.3%
Fees/Charges/Fines sub-total	9,913,710.00	2,283,800.00	3,078,237.65	2,547,281.83	794,437.65	34.8%
Interests and Other Earnings	64,900.00	13,500.00	11,916.65	18,279.06	(1,583.35)	-11.7%
Rents, Leases and Concessions	308,000.00	83,000.00	67,390.73	67,907.28	(15,609.27)	-18.8%
Contributions and Donations	30,000.00	5,700.00	5,614.79	12,494.25	(85.21)	-1.5%
Other Miscellaneous	92,200.00	12,200.00	17,066.20	16,833.35	4,866.20	39.9%
Transfers In	193,000.00	193,000.00	119,548.00	17,000.00	(73,452.00)	-38.1%
Insurance Recoveries- Capital & Operating	25,000.00	3,767.51	30,441.98	17,884.64	26,674.47	708.0%
Other Revenues sub-total	713,100.00	311,167.51	251,978.35	150,398.58	(59,189.16)	-19.0%
Total Operating Revenues	50,796,183.00	9,457,867.51	10,555,529.57	9,586,076.60	1,097,662.06	11.6%
Operating Expenditures						
Council & Mayor	980,162.99	233,600.00	249,469.03	228,163.49	(15,869.03)	-6.8%
Municipal Court & Probation	556,623.39	127,900.00	92,902.74	718,933.83	34,997.26	27.4%
Human Resources	1,596,800.00	372,700.00	337,727.86	200,803.98	34,972.14	9.4%
Finance	1,315,343.78	302,600.00	280,588.74	255,324.80	22,011.26	7.3%
City Attorney	1,769,579.17	403,700.00	411,755.62	365,695.48	(8,055.62)	-2.0%
Planning	3,972,214.94	993,053.74	981,792.12	914,046.90	11,261.61	1.1%
Community & Human Services	1,262,884.74	281,600.00	251,737.10	222,610.91	29,862.90	10.6%
Jail - SCORE	6,676,146.00	1,566,661.50	1,649,016.71	286,979.45	(82,355.21)	-5.3%
Police	19,468,675.21	4,864,200.00	4,629,326.19	4,517,580.09	234,873.81	4.8%
Engineering	2,800,821.47	670,500.00	616,818.25	607,345.55	53,681.75	8.0%
Parks and Recreation	7,882,428.41	1,814,200.00	1,862,607.77	1,706,052.78	(48,407.77)	-2.7%
Streets	3,269,523.35	712,900.00	628,727.80	601,549.73	84,172.20	11.8%
Non-Departmental	3,567,437.00	951,859.25	494,447.07	387,544.34	457,412.18	48.1%
Total Operating Expenditures	55,118,640.45	13,295,474.49	12,486,917.00	11,012,631.33	808,557.48	6.1%

- (1) Streamlined Sales Tax mitigation payments represent intergovernmental revenues from the State of Washington and are presented above in the Intergovernmental Revenue category. The first quarter payment for 2013 was receipted in for the amount of \$478,666.20 and compares to budget of \$514,200.00 for the quarter. The anticipated Streamlined Sales Tax mitigation payments for 2013 is \$2,000,000.00.

Overview

This financial overview reflects the City's overall financial position for the fiscal period ending March 31, 2013 and represents financial data available as of April 18, 2013. The budgeted year-to-date revenues and operating expenses are primarily based on collection/disbursement average for the same period of the two years prior.

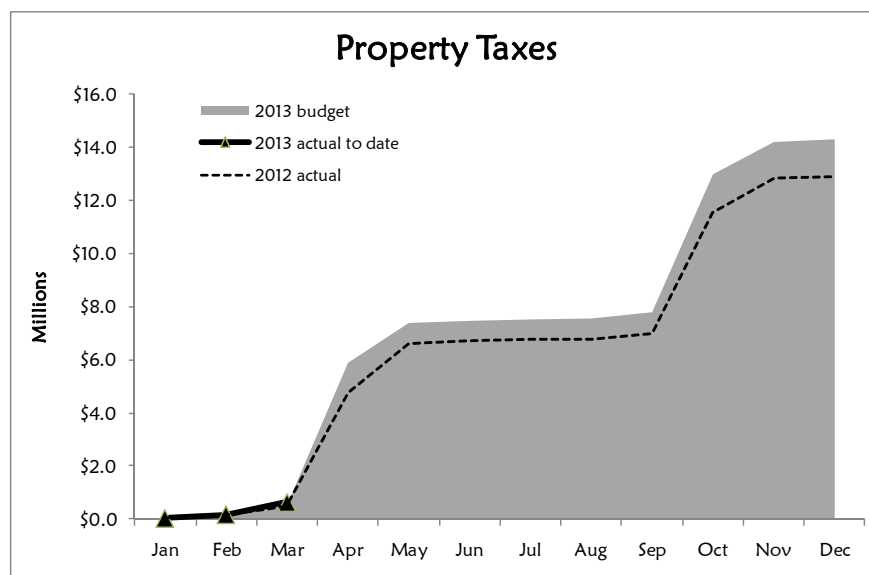
Through the first quarter of 2013, General Fund revenues totaled \$10.6 million. Significant activity includes revenue from building permit and development service fees, which continue to perform above budget due to increased construction activity. Major projects around the City that are contributing to increased building permit revenues include the Auburn High School Modernization project, the Franciscan Medical Pavilion-Auburn, Green River Community College Trades Building, tenant improvements at the Outlet Collection – Seattle, and several subdivisions including The Ridge at Bowman Creek, Lakeland East, and Kersey III.

General Fund expenses totaled \$12.5 million and compare to budget of \$11.0 million the previous year, increase of which is attributable to the payment of the City's share of SCORE debt service and the operations and maintenance costs which are based on the prior year average adult daily population. While expenses to-date are increased over the previous year, year-to-date expenses are within expectations and total 22.3% of the annual budget (target is 25%).

Revenues

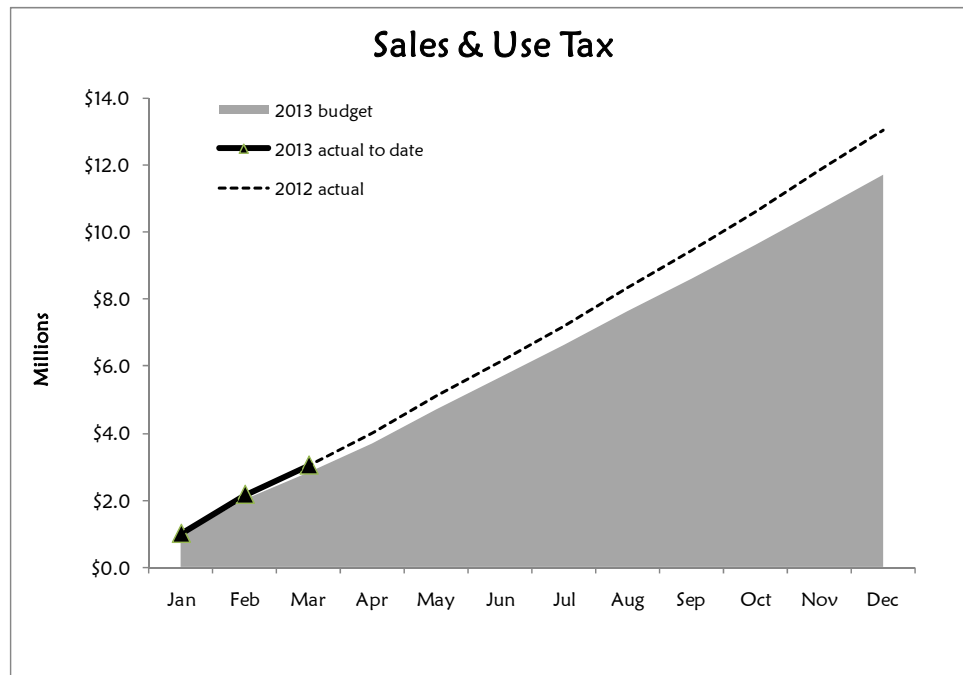
The combined total of property tax, sales/use tax, utility tax, gambling, and admissions tax provide approximately 80% of all resources supporting general governmental activities. The following section provides additional information on these sources.

Property Tax collections to date total \$623,000 and compare to \$457,000 collected the same period last year. Year to date property taxes collected are running \$74,000 higher than budget because 100% of property tax is being retained in the General Fund compared to 87% in 2012.¹ The majority of property tax revenues are collected during the months of April and October, coinciding with the due date for County property tax billings.



¹ Per City Council policy, effective January 2013, \$2.0 million of City property taxes are no longer transferred to the Local Street Fund (Fund 103) for local street repair and maintenance and is replaced with a transfer of sales taxes from new construction.

Sales taxes, excluding transfers to construction* totaled \$3.0 million and exceed budget by \$225,000 through the first quarter of the year.



* Per City Council policy, effective January 2013, all sales tax revenue from construction is transferred to the Local Street Fund (Fund 103) for local street repair and maintenance.

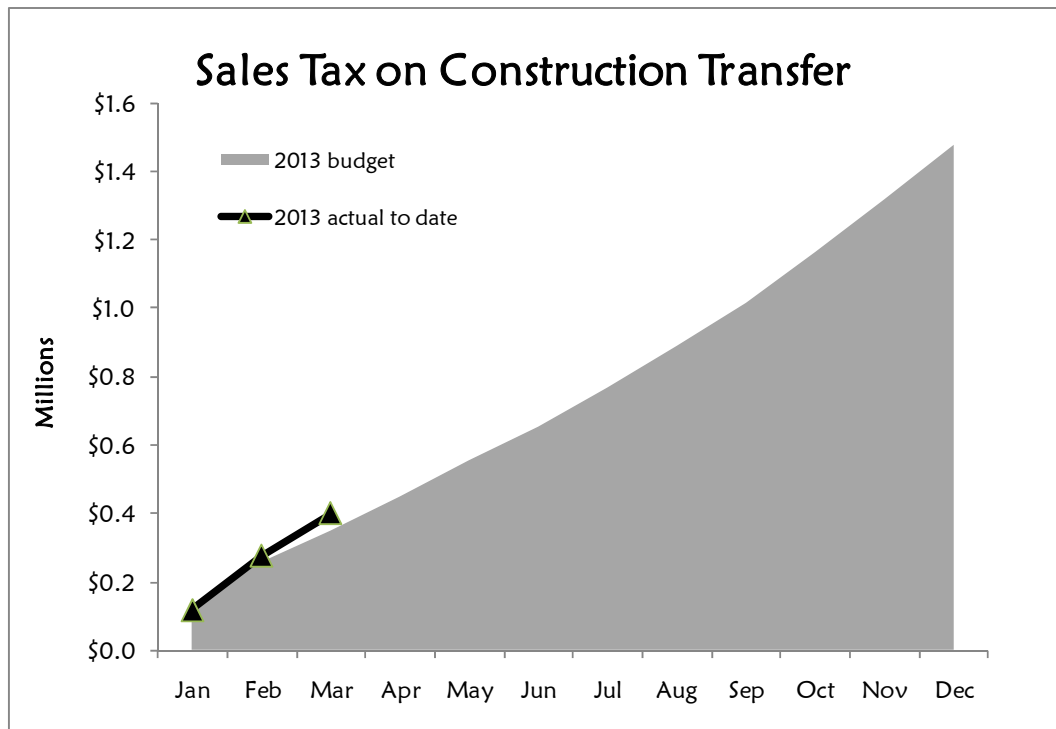
The following table breaks out the City's base sales tax, excluding Criminal Justice, Annexation Credit and Streamlined Sales Tax Mitigation by major business sectors.

Comparison of Sales Tax Collections by SIC Group March-2013				
Component Group	2012 Actual	2013 Actual	Change from 2012	
			Amount	Percentage
Construction	282,028.34	400,915.03	118,886.69	42.2%
Manufacturing	44,882.03	166,306.30	121,424.27	270.5%
Transportation & Warehousing	12,567.05	7,457.29	(5,109.76)	-40.7%
Wholesale Trade	306,681.96	278,924.69	(27,757.27)	-9.1%
Automotive	654,606.06	710,566.17	55,960.11	8.5%
Retail Trade	1,032,419.93	1,108,746.86	76,326.93	7.4%
Services	714,689.00	779,476.98	64,787.98	9.1%
Miscellaneous	9,352.62	24,427.85	15,075.23	161.2%
YTD Total	3,057,226.99	3,476,821.17	419,594.18	13.7%

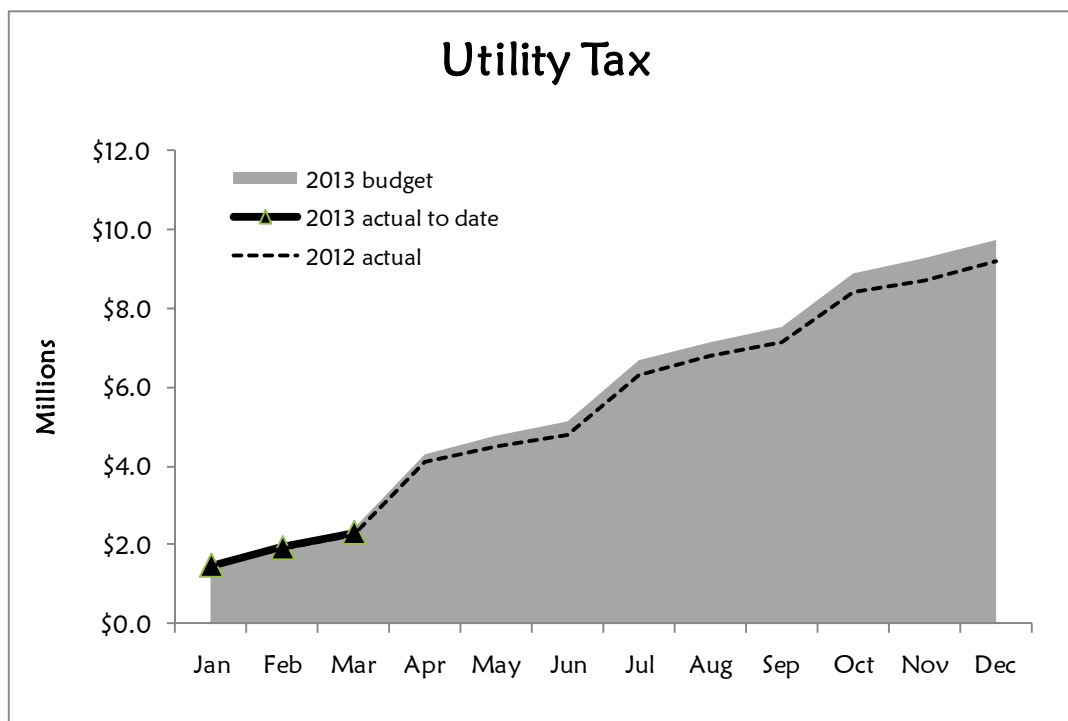
2012 actuals for the Manufacturing sector include an adjustment of \$74,000 by the State Department of Revenue as a result of an audit

As shown above, the areas showing the largest amount of change include construction and retail trade, reflecting the increased level of construction activity and improvement in consumer confidence. In general, consumer spending accounts for approximately two-thirds of economic activity.

Year to date sales tax revenue on construction, which are transferred to the Local Street Fund (Fund 103) for local street repair and maintenance, totaled \$401,000.



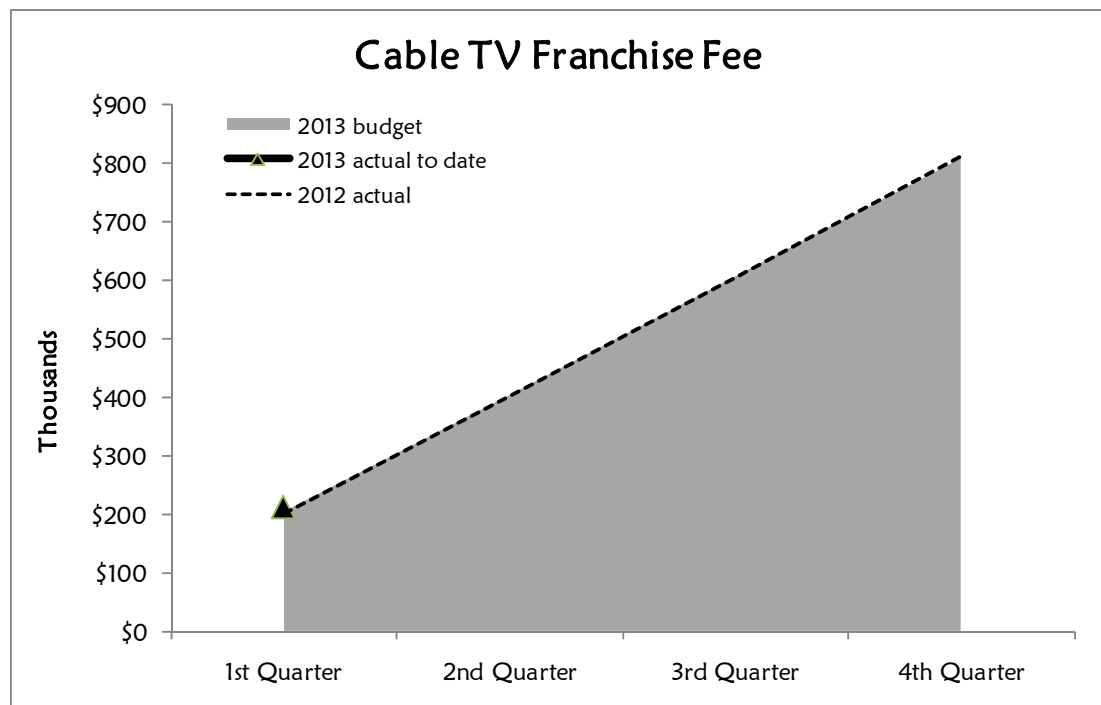
Utility Taxes consists of City inter-fund utility taxes (Water, Sewer, Storm and Solid Waste) and external utility taxes (Electric, Natural Gas, Telephone and Solid Waste). Utility tax collections through March was \$2.3 million and are comparable to collections for the same period last year.



As shown in the table below, collections from City interfund utilities partially offset lower than expected collections from private utility providers. A mild winter has reduced consumer heating demands and resulted in year-over-year declines in electric and natural gas revenue collections. Telephone utility taxes are lower than the previous year, reflecting the timing of March utility tax payments. These payments are expected to be received in April and will be reflected in the next month's financial report.

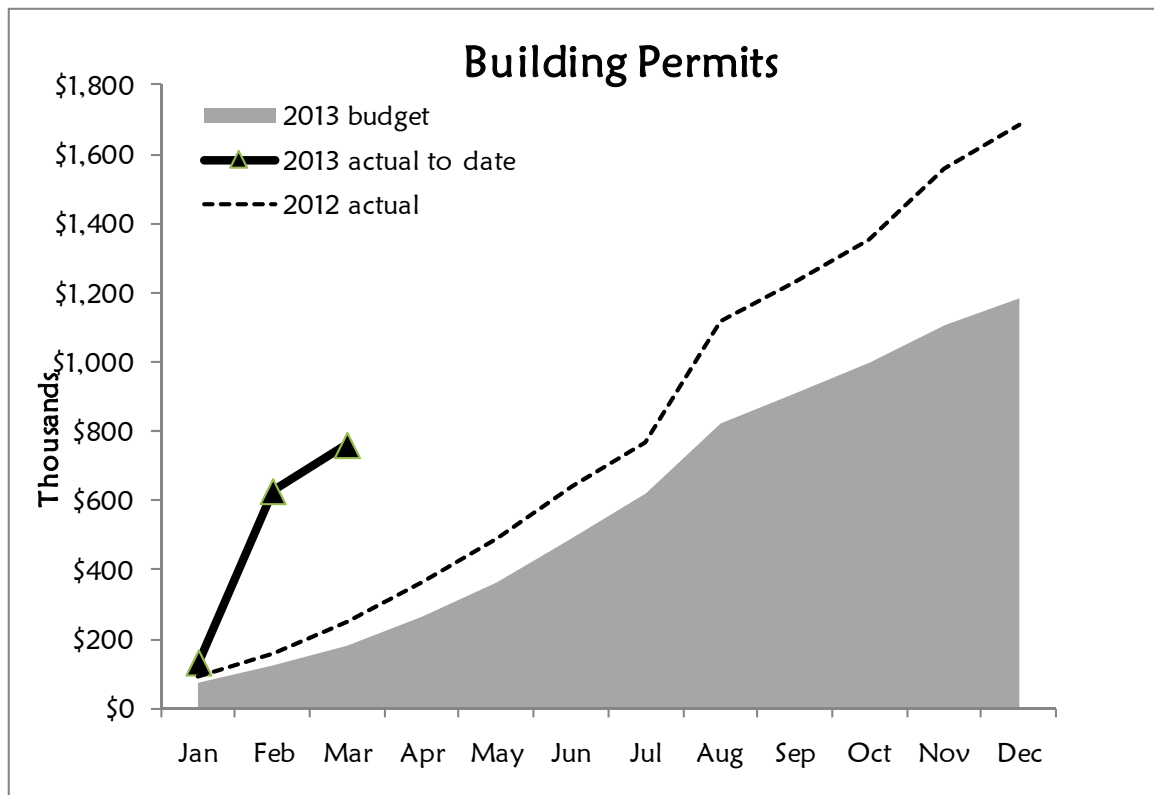
Utility Tax by Type March-2013							
Month	2012 Actual	2013 Budget	2013 Actual	2013 vs. 2012		2013 vs. Budget	
				Amount	Percentage	Amount	Percentage
City Interfund Utility Taxes	627,942.30	695,500.00	860,062.50	232,120.20	37.0%	164,562.50	23.7%
Electric	812,586.09	857,000.00	786,368.23	(26,217.86)	-3.2%	(70,631.77)	-8.2%
Natural Gas	295,288.92	303,300.00	244,173.48	(51,115.44)	-17.3%	(59,126.52)	-19.5%
Telephone	481,944.03	505,300.00	395,980.31	(85,963.72)	-17.8%	(109,319.69)	-21.6%
Garbage (external)	34,708.72	43,400.00	24,046.44	(10,662.28)	-30.7%	(19,353.56)	-44.6%
YTD Total	2,252,470.06	2,404,500.00	2,310,630.96	58,160.90	2.6%	(93,869.04)	-3.9%

Cable TV Franchise Fees, which are collected quarterly, totaled \$212,000 and are on target with budget and historical actuals.

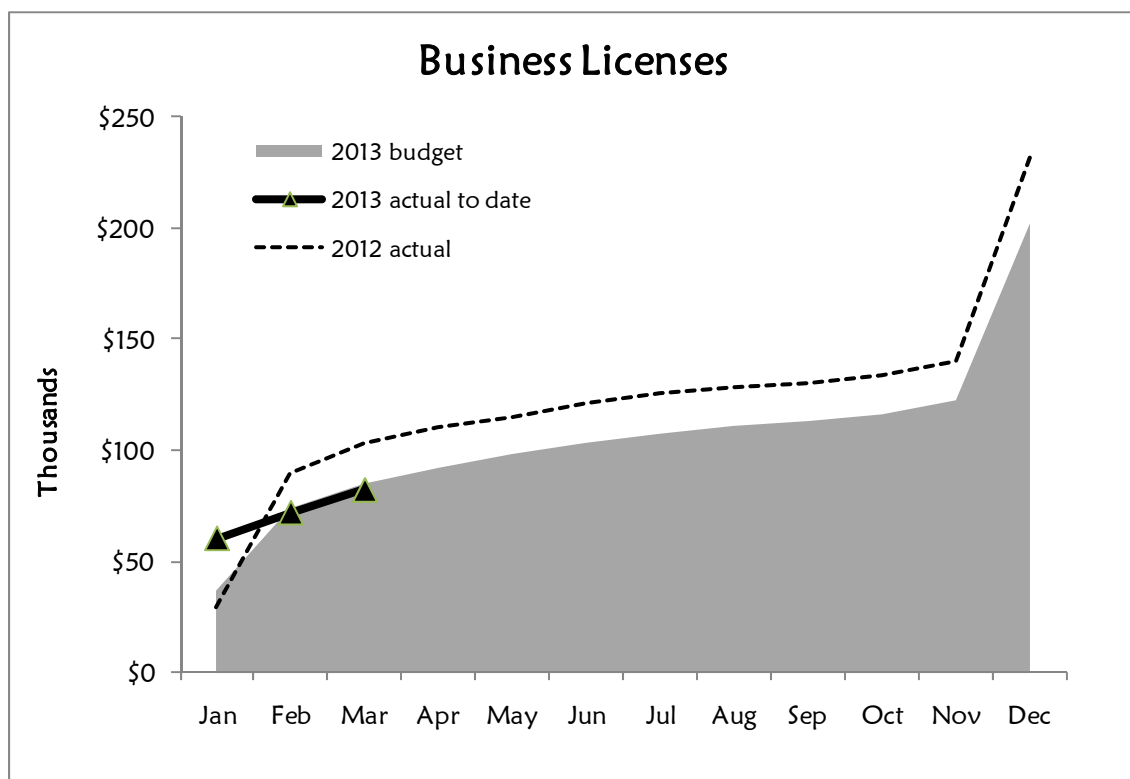


Licenses and Permits include business licenses, building permits, plumbing, electric and other licenses and permit fees. Building permit fees and business licenses make up 80% of the annual budgeted revenue in this category.

Total building permit revenues through March was \$761,000 and exceeded both budget and prior year actual. Major projects include Auburn High School Reconstruction and Modernization project (building permit fees collected in February), the Franciscan Medical Pavilion-Auburn as well as several housing developments including Lakeland East and Kersey III.



Business License revenues totaled \$82,000 and reflect the timing of payments by business owners. The majority of business license payments are collected in December of the previous year and during the first two months of the current year.



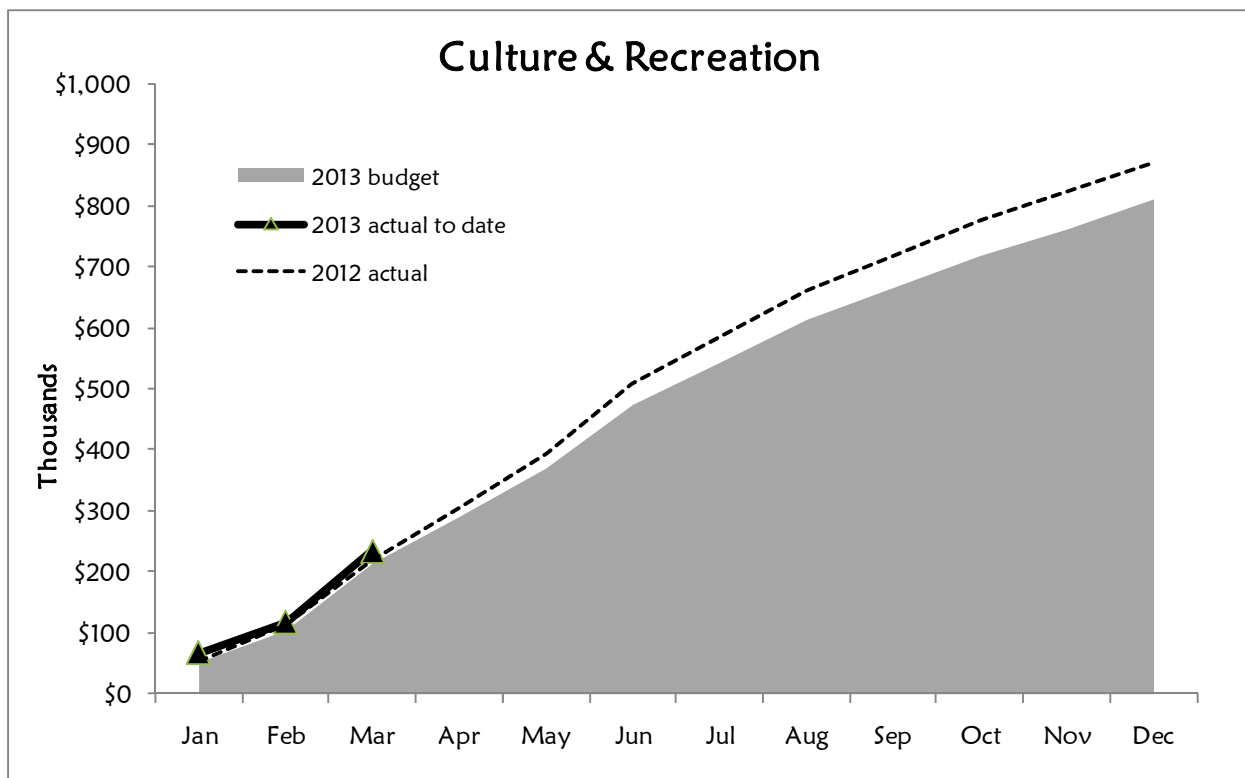
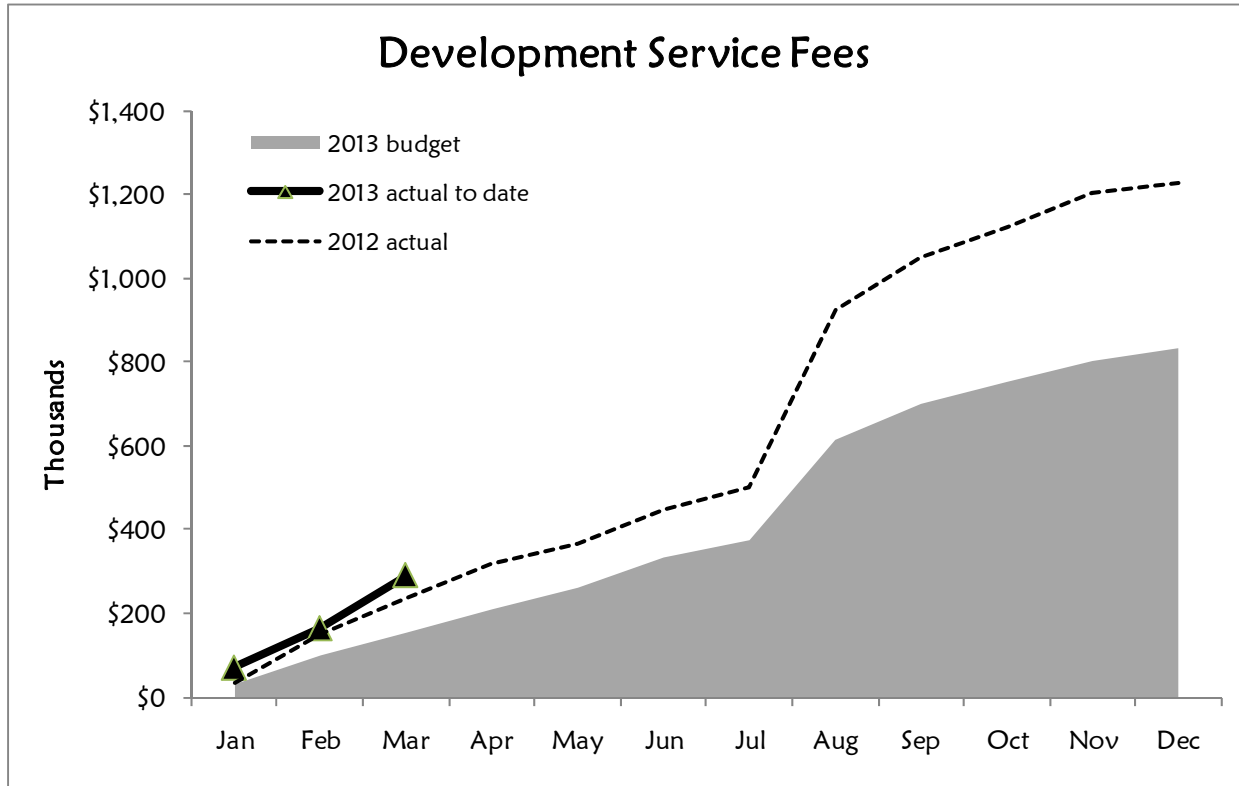
Intergovernmental includes Grants (Direct & Indirect Federal, State and Local), state shared revenues and compact revenue from the Muckleshoot Indian Tribe (MIT). Collections to date total \$1.2 million and are running \$37,000, or 3.3% higher, due to state grant revenue collections.

Intergovernmental March-2013						
Revenue	2012 Actual	2013 Budget	2013 Actual	2013 vs. 2012 % Change	2013 vs. Budget Amount	2013 vs. Budget % Change
Federal Grants	0.00	0.00	0.00	N/A	0.00	N/A
State Grants	7,017.08	4,000.00	27,620.48	293.6%	23,620.48	590.5%
Interlocal Grants	2,500.00	600.00	2,000.00	-20.0%	1,400.00	233.3%
State Shared Revenue	978,328.95	936,800.00	933,760.40	-4.6%	(3,039.60)	-0.3%
Muckleshoot Casino Emerg.	163,281.00	175,000.00	182,594.00	11.8%	7,594.00	4.3%
Intergovernmental Service	0.00	0.00	7,573.70	0.0%	7,573.70	N/A
YTD Total	1,151,127.03	1,116,400.00	1,153,548.58	0.2%	37,148.58	3.3%

State shared revenue includes \$478,666.20 in Streamlined Sales Tax mitigation payments.

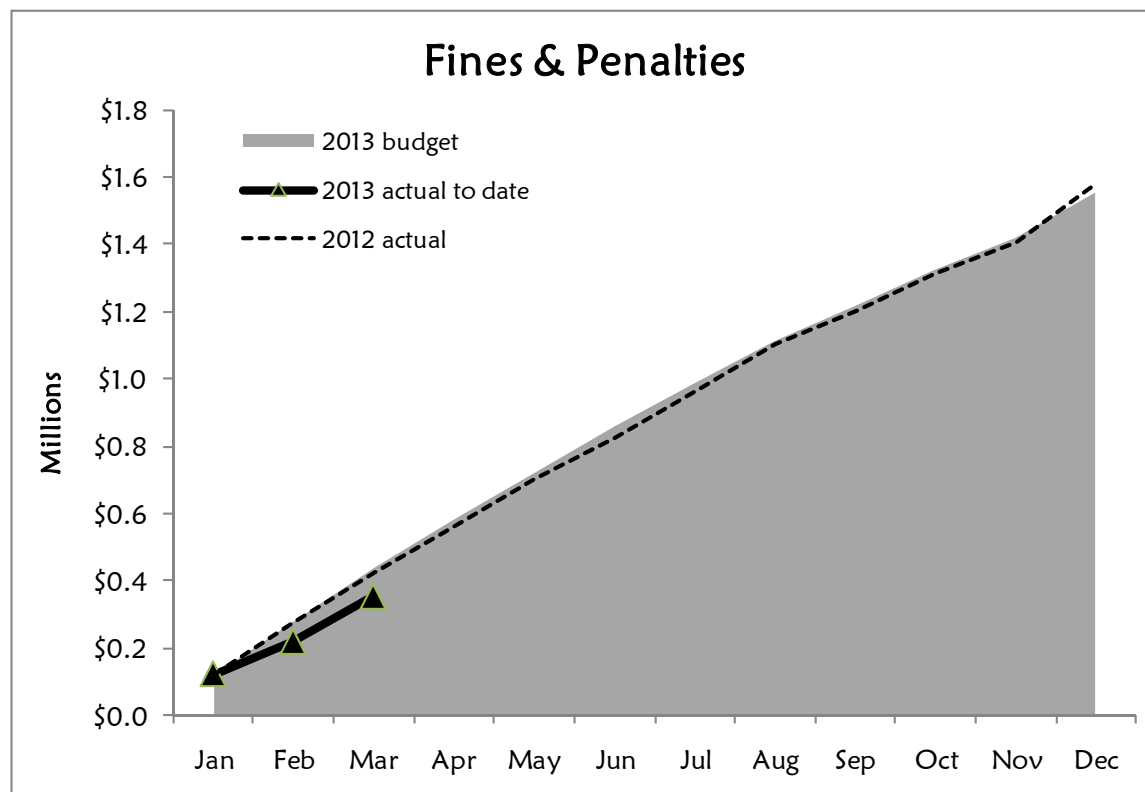
Charges for Services consists of general governmental services, public safety, development service fees and cultural & recreation fees. Development service fees and culture and recreation fees make up over 85% of the revenue within this category. Development service fee collections this period reflect revenues as a result of City utility extension projects as well as plan check fees related to the Green River Community College Trades Building and several housing developments including Brandon Meadows, Vista Pointe and Kendall Ridge. Culture and recreation revenues are improved over 2012 levels and are \$21,000 higher than budget; reflecting increased activity from City special events, senior citizen programs, recreational class registrations and league enrollments. The year-over-year decline in Public Safety charges reflect the elimination of Adult Probation revenue (these revenues are retained by King County under the City-King County District Court contract).

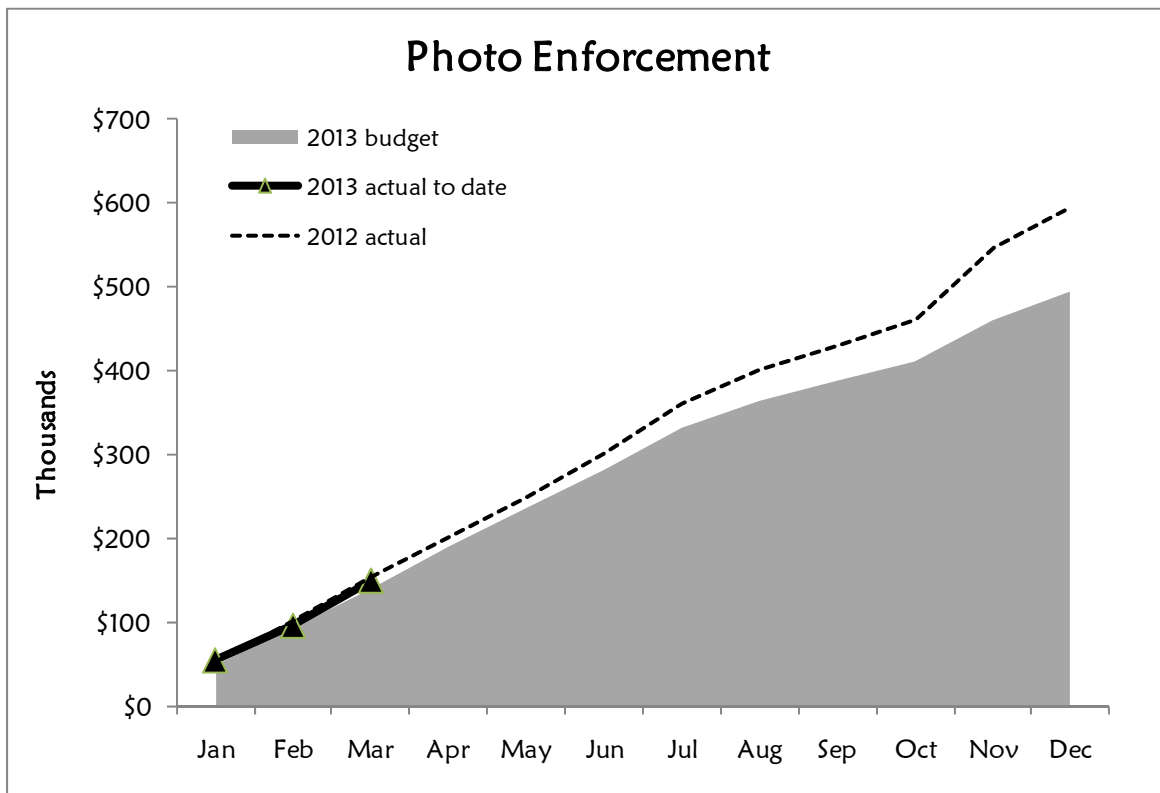
Charges for Services by Type March-2013							
Revenue	2012 Actual	2013 Budget	2013 Actual	2013 vs. 2012		2013 vs. Budget	
				Amount	Percentage	Amount	Percentage
General Government	31,763.17	24,200.00	31,459.74	(303.43)	-0.96%	7,259.74	30.00%
Public Safety	59,263.25	4,800.00	8,999.75	(50,263.50)	-84.8%	4,199.75	87.5%
Development Services	236,173.70	153,500.00	291,244.41	55,070.71	23.3%	137,744.41	89.7%
Culture & Recreation	220,236.78	213,600.00	234,416.51	14,179.73	6.4%	20,816.51	9.7%
YTD Total	547,436.90	396,100.00	566,120.41	18,683.51	3.4%	170,020.41	42.9%



Fines & Penalties include traffic and parking infraction penalties, Redflex photo enforcement violations, criminal fines (including criminal traffic, criminal non traffic and criminal costs) as well as non court fines such as false alarm and shopping cart fines. Total revenue to date is \$356,000 compared to budget of \$441,000 due primarily to civil infraction penalties, which are running below budget due to fewer filings at the court.

Fines & Forfeits by Type March-2013							
Month	2012	2013	2013	2013 vs. 2012		2013 vs. Budget	
	Actual	Budget	Actual	Amount	Percentage	Amount	Percentage
Civil Penalties	4,234.85	3,700.00	3,360.44	(874.41)	-20.6%	(339.56)	-9.2%
Civil Infraction Penalties	178,525.58	192,000.00	115,484.33	(63,041.25)	-35.3%	(76,515.67)	-39.9%
Red Light Photo Enforcement	153,119.38	140,000.00	149,072.42	(4,046.96)	-2.6%	9,072.42	6.5%
Parking Infractions	27,764.96	44,300.00	31,394.70	3,629.74	13.1%	(12,905.30)	-29.1%
Criminal Traffic Misdemeanor	27,943.53	24,900.00	15,445.92	(12,497.61)	-44.7%	(9,454.08)	-38.0%
Criminal Non-Traffic Fines	20,605.73	23,100.00	15,630.10	(4,975.63)	-24.1%	(7,469.90)	-32.3%
Criminal Costs	4,045.97	3,500.00	6,407.23	2,361.26	58.4%	2,907.23	83.1%
Non-Court Fines & Penalties	9,186.33	9,600.00	19,245.74	10,059.41	109.5%	9,645.74	100.5%
YTD Total	425,426.33	441,100.00	356,040.88	(69,385.45)	-16.3%	(85,059.12)	-19.3%

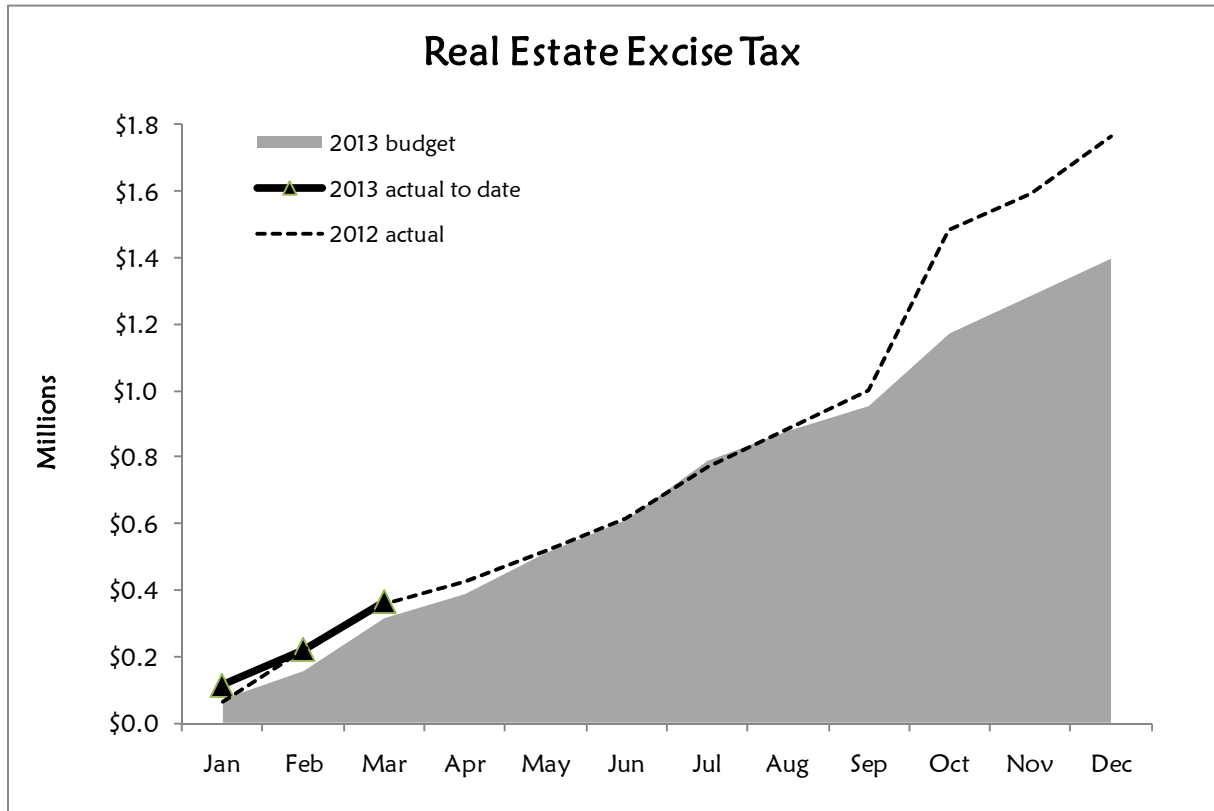




Miscellaneous revenues primarily consist of income from facility rentals; other sources within this category include investment earnings, contributions & donations and other miscellaneous income. Revenues in this category totaled \$102,000 and were below budget by \$12,000 primarily due to reduced facility rental revenues.

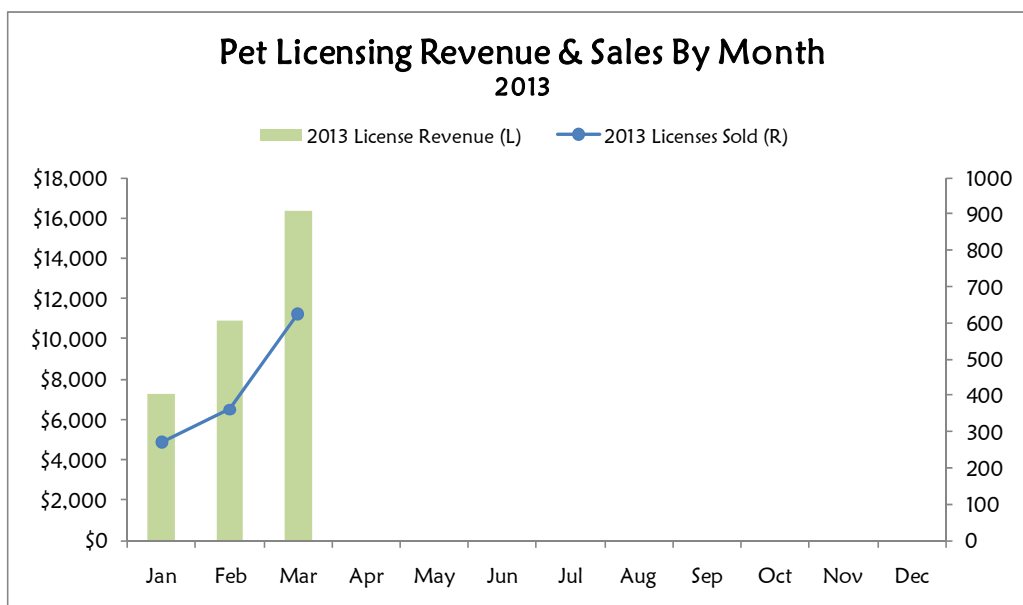
Miscellaneous Revenues by Type March-2013							
Month	2012 Actual	2013 Budget	2013 Actual	2013 vs. 2012		2013 vs. Budget	
				Amount	Percentage	Amount	Percentage
Interest & Investments	18,279.06	13,500.00	11,916.65	(6,362.41)	-34.8%	(1,583.35)	-11.7%
Rents & Leases	67,907.28	83,000.00	67,390.73	(516.55)	-0.8%	(15,609.27)	-18.8%
Contributions & Donations	12,494.25	5,700.00	5,614.79	(6,879.46)	-55.1%	(85.21)	-1.5%
Other Miscellaneous Revenue	16,833.35	12,200.00	17,066.20	232.85	1.4%	4,866.20	39.9%
YTD Total	115,513.94	114,400.00	101,988.37	(13,525.57)	-11.7%	(12,411.63)	-10.8%

Real Estate Excise Tax (REET) revenue is receipted into the Capital Improvement Projects Fund and is used for governmental capital projects. Total revenue at the end of March was \$365,000 and exceeds budget and prior year actuals by \$49,000 and \$10,000 respectively, reflecting local and regional improvement in real estate transactions.



Pet Licensing

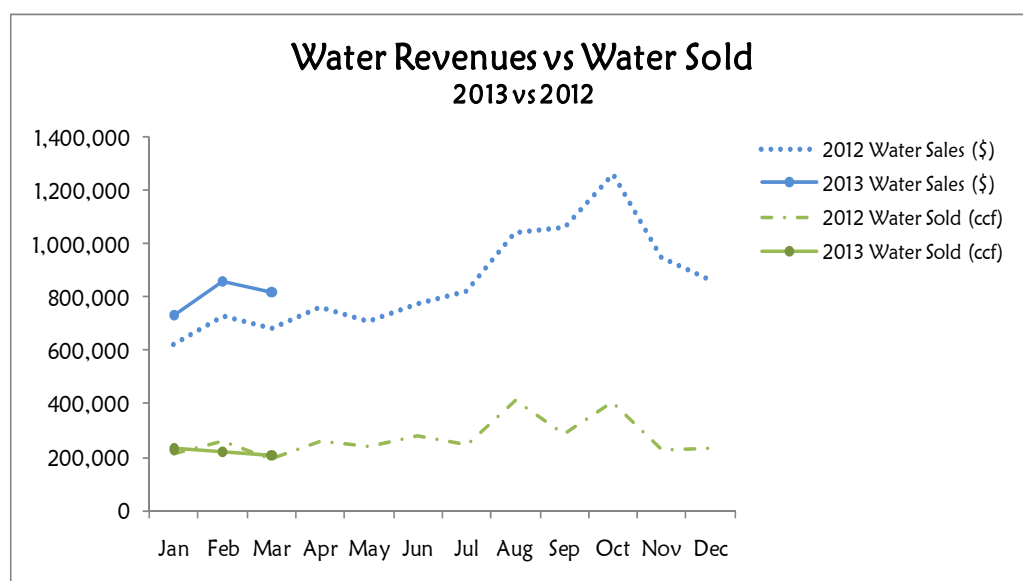
During the month of March, 625 pet licenses were sold resulting in \$16,360 in revenue. Year-to-date, 1,256 licenses have been sold bringing in a total of \$34,510.



Enterprise Funds

The detailed Working Capital and Fund Balance statements for Enterprise and Internal Service funds can be found in the Appendix at the end of this Report.

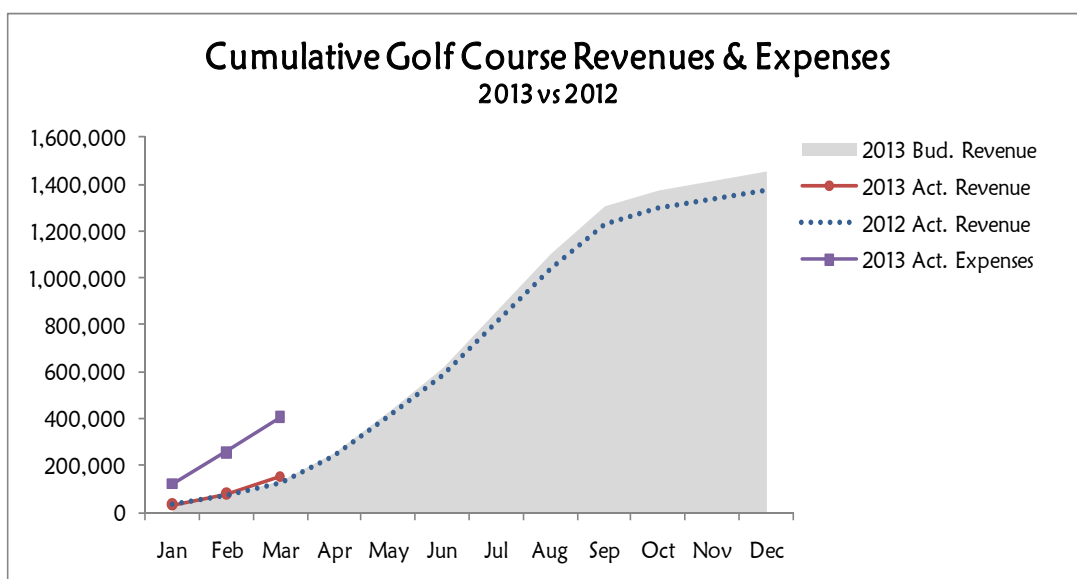
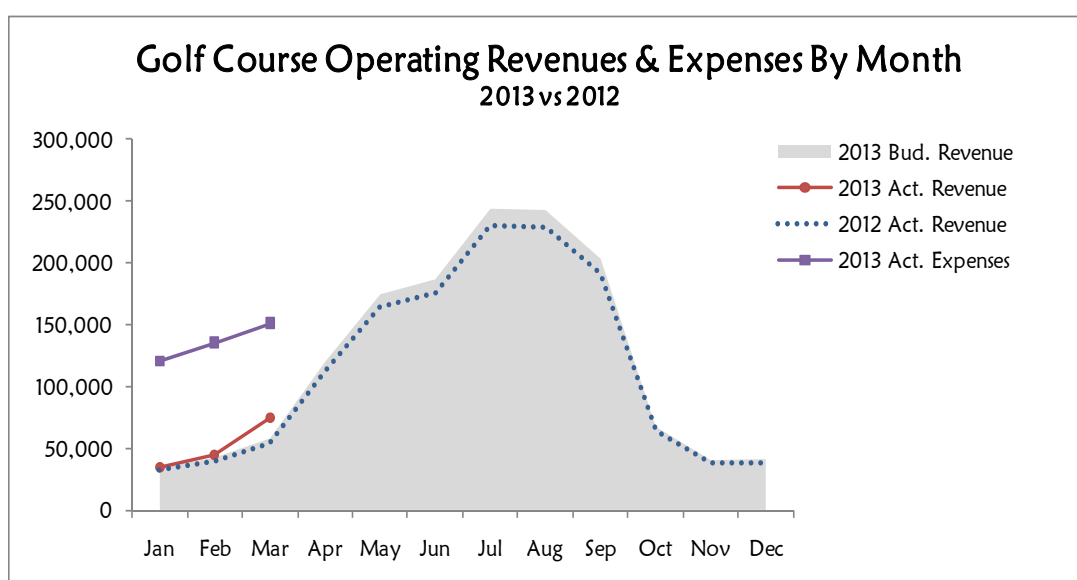
The **Water Utility** ended March with \$7,700 in net operating income and compares to a \$43,800 net operating loss for the same period in 2012, reflecting an increase in water sales revenue, while water usage is remaining relatively stable.



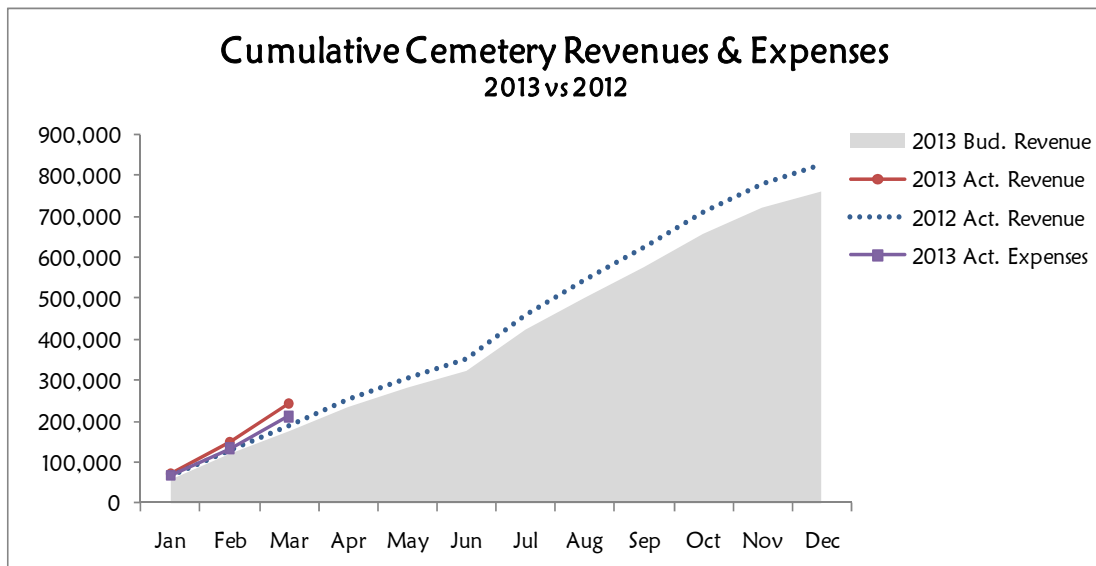
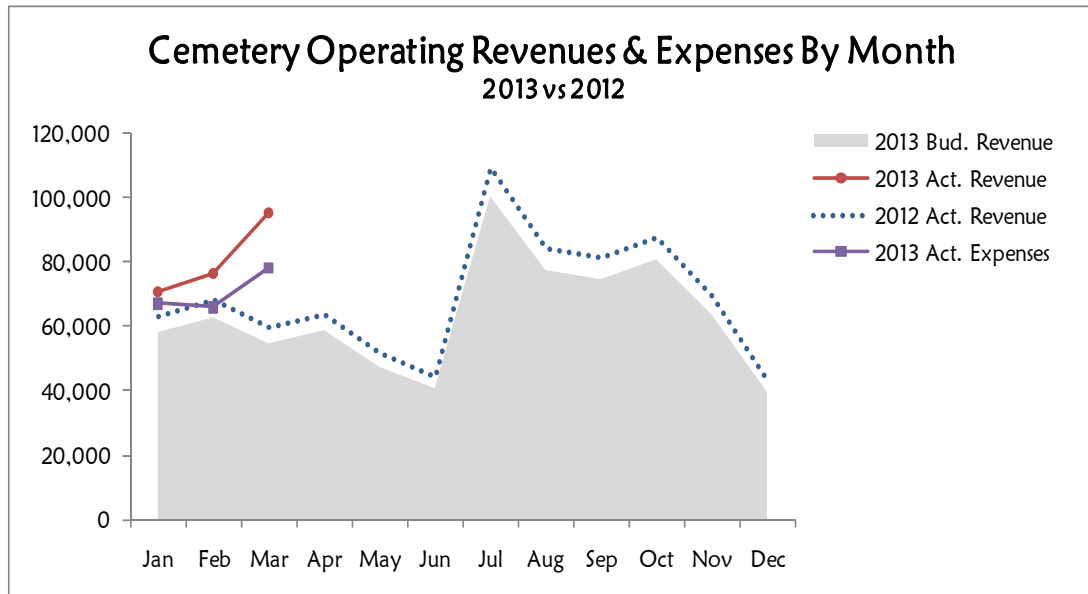
The **Sewer Utility** ended the period with a \$304,800 net operating loss and compares to a \$431,700 net loss for the same period in 2012 (excluding Metro wastewater treatment revenues and expenses, which are now being tracked separately in the Sewer-Metro fund). The **Sewer-Metro Utility** ended the first quarter a net operating loss of \$179,800.

The **Stormwater Utility** ended the period with \$330,400 in net operating income which compares to \$253,000 in net income for the same period last year.

The number of rounds played at the **Auburn Golf Course (AGC)** in March totaled 2,548 which compares to 1,939 for the same period last year. Year-to-date rounds total 5,589 compared to 4,751 rounds in 2012. Improvement in golf course activity has helped to reduce the AGC net operating loss to \$254,100 as compared to a loss of \$284,300 for the same period last year.



The **Cemetery Fund** ended March with \$31,000 in net operating income compared to a \$32,400 net operating loss for the same period last year and reflect a decline in Cemetery operating expenses and an increase in operating revenue.



Internal Service Funds

Operating expenses within the **Insurance Fund** represents the premium cost-pool that will be allocated monthly to other City funds over the course of 2013. As a result, this balance will gradually diminish each month throughout the year. The **Innovation & Technology Fund** ended with a net loss, reflecting the timing of expenses. No significant variances are reported in the **Facilities Fund** or **Equipment Rental Fund**. Both funds have had sufficient revenues to cover year-to-date expenses.

Contact Information

This report is prepared by the Finance Department. Additional financial information can also be viewed at our website: <http://www.auburnwa.gov/>. For any questions about the report please contact us at mchaw@auburnwa.gov or scoleman@auburnwa.gov.

SALES TAX SUMMARY
MARCH 2013 SALES TAX DISTRIBUTIONS (FOR JANUARY 2013 RETAIL ACTIVITY)

NAICS	CONSTRUCTION	2012 Annual Total (Nov '11-Oct '12)	2012 YTD (Nov '11 - Jan '12)	2013 YTD (Nov '12 - Jan '13)	YTD % Diff
236	Construction of Buildings	483,408.87	104,019.42	179,393.70	72.5%
237	Heavy and Civil Construction	114,822.92	33,335.77	20,692.46	-37.9%
238	Specialty Trade Contractors	622,980.45	144,673.15	200,828.87	38.8%
TOTAL CONSTRUCTION		\$ 1,221,212.24	\$ 282,028.34	\$ 400,915.03	42.2%
Overall Change from Previous Year				\$ 118,886.69	

NAICS	MANUFACTURING	2012 Annual Total (Nov '11-Oct '12)	2012 YTD (Nov '11 - Jan '12)	2013 YTD (Nov '12 - Jan '13)	YTD % Diff
311	Food Manufacturing	2,932.07	923.43	338.52	-63.3%
312	Beverage and Tobacco Products	5,855.42	965.47	2,016.48	108.9%
313	Textile Mills	569.85	35.63	38.97	9.4%
314	Textile Product Mills	4,456.85	644.84	784.43	21.6%
315	Apparel Manufacturing	217.67	154.48	143.84	-6.9%
316	Leather and Allied Products	58.91	39.54	1.25	-96.8%
321	Wood Product Manufacturing	31,417.29	4,341.73	22,151.02	410.2%
322	Paper Manufacturing	3,943.50	1,029.16	965.27	-6.2%
323	Printing and Related Support	28,275.22	8,858.25	5,316.72	-40.0%
324	Petroleum and Coal Products	10,532.00	2,226.89	2,912.51	30.8%
325	Chemical Manufacturing	8,088.54	1,297.94	1,941.54	49.6%
326	Plastics and Rubber Products	9,468.87	2,772.65	2,627.72	-5.2%
327	Nonmetallic Mineral Products	17,323.71	3,499.91	4,006.01	14.5%
331	Primary Metal Manufacturing	1,765.68	849.92	16.03	-98.1%
332	Fabricated Metal Product Manuf	24,964.99	2,663.73	16,891.59	534.1%
333	Machinery Manufacturing	12,890.22	3,738.45	3,270.06	-12.5%
334	Computer and Electronic Produc	10,260.16	1,258.00	2,622.81	108.5%
335	Electric Equipment, Appliances	426.32	175.90	228.66	30.0%
336	Transportation Equipment Man	187,175.19	307.04	89,187.79	28947.6%
337	Furniture and Related Products	18,721.33	3,917.31	4,627.35	18.1%
339	Miscellaneous Manufacturing	25,368.10	5,181.76	6,217.73	20.0%
TOTAL MANUFACTURING		\$ 404,711.89	\$ 44,882.03	\$ 166,306.30	270.5%
Overall Change from Previous Year				\$ 121,424.27	

NAICS	TRANSPORTATION AND WAREHOUSING	2012 Annual Total (Nov '11-Oct '12)	2012 YTD (Nov '11 - Jan '12)	2013 YTD (Nov '12 - Jan '13)	YTD % Diff
481	Air Transportation	0.00	0.00	0.00	N/A
482	Rail Transportation	19,181.85	2,178.39	5,876.86	169.8%
484	Truck Transportation	10,245.48	4,009.75	(8,592.42)	-314.3%
485	Transit and Ground Passengers	268.22	212.28	88.36	-58.4%
488	Transportation Support	18,841.37	4,230.84	5,204.85	23.0%
491	Postal Service	470.02	60.91	248.01	307.2%
492	Couriers and Messengers	568.35	140.74	239.92	70.5%
493	Warehousing and Storage	5,376.49	1,734.14	4,391.71	153.3%
TOTAL TRANSPORTATION		\$ 54,951.78	\$ 12,567.05	\$ 7,457.29	-40.7%
Overall Change from Previous Year				\$ (5,109.76)	

NAICS	WHOLESALE TRADE	2012 Annual Total (Nov '11-Oct '12)	2012 YTD (Nov '11 - Jan '12)	2013 YTD (Nov '12 - Jan '13)	YTD % Diff
423	Wholesale Trade, Durable Goods	1,137,932.04	274,763.62	240,324.83	-12.5%
424	Wholesale Trade, Nondurable	153,721.30	30,657.46	37,585.17	22.6%
425	Wholesale Electronic Markets	5,064.63	1,260.88	1,014.69	-19.5%
TOTAL WHOLESALE		\$ 1,296,717.97	\$ 306,681.96	\$ 278,924.69	-9.1%
Overall Change from Previous Year				\$ (27,757.27)	

- a. Wa. State Dept of Revenue audit adjustment to sales tax returns for period Nov 2011 (adjustment: -\$73,971).
b. Wa. State Dept of Revenue audit adjustment to sales tax returns for period Dec 2011 (adjustment: -\$20,014).
c. Wa. State Dept of Revenue audit adjustment to sales tax returns for period Jan 2013 (adjustment: -\$11,382).

NAICS	AUTOMOTIVE	2012 Annual Total (Nov '11-Oct '12)	2012 YTD (Nov '11 - Jan '12)	2013 YTD (Nov '12 - Jan '13)	YTD % Diff
441	Motor Vehicle and Parts Dealer	2,795,163.85	599,011.50	651,573.08	8.8%
447	Gasoline Stations	223,463.26	55,594.56	58,993.09	6.1%
TOTAL AUTOMOTIVE		\$ 3,018,627.11	\$ 654,606.06	\$ 710,566.17	8.5%
Overall Change from Previous Year				\$ 55,960.11	

NAICS	RETAIL TRADE	2012 Annual Total (Nov '11-Oct '12)	2012 YTD (Nov '11 - Jan '12)	2013 YTD (Nov '12 - Jan '13)	YTD % Diff
442	Furniture and Home Furnishings	226,308.94	60,105.62	60,231.90	0.2%
443	Electronics and Appliances	145,390.62	40,961.74	45,533.83	11.2%
444	Building Material and Garden	425,493.64	87,776.58	89,472.77	1.9%
445	Food and Beverage Stores	341,378.74	81,240.86	79,820.06	-1.7%
446	Health and Personal Care Store	148,812.47	43,086.75	41,272.86	-4.2%
448	Clothing and Accessories	772,153.02	207,849.12	248,545.06	19.6%
451	Sporting Goods, Hobby, Books	120,507.49	37,668.52	38,085.48	1.1%
452	General Merchandise Stores	967,039.39	282,096.04	283,030.42	0.3%
453	Miscellaneous Store Retailers	508,326.14	116,556.91	133,916.84	14.9%
454	Nonstore Retailers	268,502.71	75,077.79	88,837.64	18.3%
TOTAL RETAIL TRADE		\$ 3,923,913.16	\$ 1,032,419.93	\$ 1,108,746.86	7.4%
Overall Change from Previous Year				\$ 76,326.93	

NAICS	SERVICES	2012 Annual Total (Nov '11-Oct '12)	2012 YTD (Nov '11 - Jan '12)	2013 YTD (Nov '12 - Jan '13)	YTD % Diff
51*	Information	396,353.38	96,633.05	108,257.71	12.0%
52*	Finance and Insurance	53,290.56	(1,501.37)	25,839.04	-1821.0%
53*	Real Estate, Rental, Leasing	326,259.42	85,918.73	73,598.38	-14.3%
541	Professional, Scientific, Tech	173,274.20	47,118.77	43,837.47	-7.0%
551	Company Management	15.78	3.98	0.51	-87.2%
56*	Admin. Supp., Remed Svcs	334,354.06	65,192.58	78,591.24	20.6%
611	Educational Services	53,671.83	13,089.46	12,537.37	-4.2%
62*	Health Care Social Assistance	114,832.81	11,442.81	22,250.46	94.4%
71*	Arts and Entertainment	153,417.34	71,104.10	70,090.24	-1.4%
72*	Accomodation and Food Svcs	920,555.95	214,405.72	229,565.11	7.1%
81*	Other Services	388,278.72	92,944.75	94,915.80	2.1%
92*	Public Administration	142,187.99	18,336.42	19,993.65	9.0%
TOTAL SERVICES		\$ 3,056,492.04	\$ 714,689.00	\$ 779,476.98	9.1%
Overall Change from Previous Year				\$ 64,787.98	

NAICS	MISCELLANEOUS	2012 Annual Total (Nov '11-Oct '12)	2012 YTD (Nov '11 - Jan '12)	2013 YTD (Nov '12 - Jan '13)	YTD % Diff
000	Unknown	1.04	1.04	0.00	-100.0%
111-115	Agriculture, Forestry, Fishing	2,868.29	369.86	1,263.15	241.5%
211-221	Mining & Utilities	30,228.91	5,318.53	4,256.32	-20.0%
999	Unclassifiable Establishments	27,601.09	3,663.19	18,908.38	416.2%
TOTAL SERVICES		\$ 60,699.33	\$ 9,352.62	\$ 24,427.85	161.2%
Overall Change from Previous Year				\$ 15,075.23	

GRAND TOTAL		\$ 13,037,325.52	\$ 3,057,226.99	\$ 3,476,821.17	
Overall Change from Previous Year				\$ 419,594.18	13.7%

City of Auburn
Investment Portfolio Summary
March 31, 2013

Investment Type	Purchase Date	Purchase Price	Maturity Date	Yield to Maturity
State Investment Pool	Various	\$ 94,283,999	Various	0.18%
KeyBank Money Market	Various	10,897,339	Various	0.15%
US Treasury	05/04/1990	57,750	05/15/2016	5.72%
Total Cash & Investments		<u>\$ 105,239,089</u>		<u>0.179%</u>

Investment Mix	% of Total	Summary	
State Investment Pool	89.6%	Current 6-month treasury rate	0.11%
KeyBank Money Market	10.4%	Current State Pool rate	0.18%
US Treasury	0.1%	KeyBank Money Market	0.15%
		Blended Auburn rate	0.18%
	<u>100.0%</u>		

The following table presents the Working Capital Statement for each of the City's Enterprise and Internal Service funds. Working Capital is generally defined as the difference between current assets and current liabilities.

WORKING CAPITAL	ENTERPRISE FUNDS								INTERNAL SERVICE FUNDS			
	WATER	SEWER	SEWER METRO	STORM	SOLID WASTE	AIRPORT	CEMETERY	GOLF	INSURANCE	FACILITIES	INNOVATION & TECHNOLOGY	EQUIPMENT RENTAL
OPERATING REVENUES												
Charges For Service	2,411,924.26	1,595,858.70	-	1,999,992.87	3,170,865.26	3,790.00	242,448.77	99,245.28	-	-	-	-
Interfund Charges For Service	-	-	-	-	-	-	-	-	-	872,448.00	1,194,420.00	732,721.25
Sewer Metro Service Revenue	-	-	3,418,948.24	-	-	-	-	-	-	-	-	-
Rents, Leases, Concessions, & Other	-	-	-	-	-	148,888.19	-	54,155.08	-	34,618.76	14,715.00	-
TOTAL OPERATING REVENUES	2,411,924.26	1,595,858.70	3,418,948.24	1,999,992.87	3,170,865.26	152,678.19	242,448.77	153,400.36	-	907,066.76	1,209,135.00	732,721.25
OPERATING EXPENSES												
Salaries & Wages	558,034.64	376,828.33	-	476,626.81	97,149.60	4,973.79	94,191.92	138,627.39	-	160,146.12	346,262.10	115,197.55
Benefits	249,301.76	162,756.90	-	208,101.75	42,737.19	1,678.83	46,040.30	68,667.80	-	71,429.16	141,129.12	51,348.59
Supplies	39,902.49	6,341.28	-	7,850.77	5,412.59	285.70	31,751.93	55,184.06	-	23,686.95	71,906.56	177,880.65
Other Service Charges	676,335.02	640,453.34	-	243,449.86	243,644.00	144,375.31	11,005.15	26,893.43	769,075.87	223,183.52	605,705.54	85,108.57
Intergovernmental Services	-	197.98	-	9,580.65	-	-	-	-	-	-	-	-
Waste Management Payments	-	-	-	-	1,675,050.56	-	-	-	-	-	-	-
Sewer Metro Services	-	-	3,598,755.45	-	-	-	-	-	-	-	-	-
Interfund Operating Rentals & Supplies	277,182.81	242,544.26	-	320,968.07	45,225.00	-	14,049.00	41,124.00	-	29,802.00	75,426.00	61,897.37
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation & Amortization	603,510.13	471,558.41	-	403,051.01	4,704.82	100,939.54	14,420.84	77,040.34	-	-	116,762.95	194,019.05
TOTAL OPERATING EXPENSES	2,404,266.85	1,900,680.50	3,598,755.45	1,669,628.92	2,113,923.76	252,253.17	211,459.14	407,537.02	769,075.87	508,247.75	1,357,192.27	685,451.78
OPERATING INCOME (LOSS)	7,657.41	(304,821.80)	(179,807.21)	330,363.95	1,056,941.50	(99,574.98)	30,989.63	(254,136.66)	(769,075.87)	398,819.01	(148,057.27)	47,269.47
NON-OPERATING REVENUES & EXPENSES												
Interest Revenue	5,590.01	5,363.39	1.86	4,796.05	298.40	412.53	94.18	146.97	492.67	740.89	1,216.29	2,308.50
Contributions	-	-	-	-	-	8,542.00	-	-	-	35,860.00	-	-
Other Non-Operating Revenue	437.86	109,978.35	-	1,679.00	360.00	525.00	-	-	-	-	-	27,983.04
Gain (Loss) On Sale Of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	4,000.00
Debt Service Interest	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Expense	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL NON-OPERATING REVENUES & EXPENSES	6,027.87	115,341.74	1.86	6,475.05	658.40	9,479.53	94.18	146.97	492.67	36,600.89	1,216.29	34,291.54
PLUS ITEMS NOT EFFECTING WORKING CAPITAL												
Depreciation	574,075.13	471,558.41	-	381,736.01	4,704.82	100,939.54	14,420.84	77,040.34	-	-	116,762.95	194,019.05
NET WORKING CAPITAL FROM OPERATIONS	587,760.41	282,078.35	(179,805.35)	718,575.01	1,062,304.72	10,844.09	45,504.65	(176,949.35)	(768,583.20)	435,419.90	(30,078.03)	275,580.06
Increase In Contributions - System Development ¹	113,928.00	2,131,296.75	-	116,699.66	-	-	-	-	-	-	-	-
Increase In Contributions - Area Assessments	-	2,253.61	-	-	-	-	-	-	-	-	-	-
Increase In Contributions - Other Governments	-	-	-	705,853.09	-	-	-	-	-	-	-	-
Increase In Contributions - Other Funds	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Contributions - FAA	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds of Debt Activity	7,186,400.94	-	-	5,203,945.51	-	-	-	-	-	-	-	-
Operating Transfers In	-	-	-	-	-	-	-	4,962.26	-	-	-	-
Increase In Restricted Net Assets	3,211.04	17,590.82	-	-	-	5,724.58	-	-	-	-	-	-
Decrease In Long-Term Receivables	-	-	-	-	-	-	-	-	-	-	-	-
Increase In Deferred Credits	-	-	-	-	-	2,176.52	-	-	-	-	-	-
TOTAL RESOURCES OTHER THAN OPERATIONS	7,303,539.98	2,151,141.18	-	6,026,498.26	-	7,901.10	-	4,962.26	-	-	-	-
Net Change In Restricted Net Assets	474,065.67	172.89	-	343,279.53	-	29,713.79	-	(829.39)	-	-	-	-
Increase In Fixed Assets - Salaries	75,262.24	10,935.54	-	32,947.01	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Benefits	30,649.92	4,519.30	-	13,806.53	-	-	-	-	-	-	-	-
Increase In Fixed Assets - Site Improvements	9,198.27	-	-	-	-	-	-	-	-	-	-	241.85
Increase In Fixed Assets - Equipment	-	-	-	-	-	-	-	-	-	-	12,884.50	13,115.91
Increase In Fixed Assets - Construction	907,668.26	69,135.46	-	431,122.10	-	-	-	-	-	-	-	-
Operating Transfers Out	50,000.00	50,000.00	-	50,000.00	-	-	-	-	-	21,745.61	-	7,000.00
Debt Service Principal	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL USES OTHER THAN OPERATIONS	1,546,844.36	134,763.19	-	871,155.17	-	29,713.79	-	(829.39)	-	21,745.61	12,884.50	20,357.76
NET CHANGE IN WORKING CAPITAL	6,344,456.03	2,298,456.34	(179,805.35)	5,873,918.10	1,062,304.72	(10,968.60)	45,504.65	(171,157.70)	(768,583.20)	413,674.29	(42,962.53)	255,222.30
BEGINNING WORKING CAPITAL - January 1, 2013	10,196,281.10	12,072,579.09	-	10,218,848.21	1,018,487.34	818,912.00	182,098.05	90,691.62	2,028,681.08	1,473,040.96	2,885,527.19	5,559,564.94
ENDING WORKING CAPITAL - March 31, 2013	16,540,737.13	14,371,035.43	(179,805.35)	16,092,766.31	2,080,792.06	807,943.40	227,602.70	(80,466.08)	1,260,097.88	1,886,715.25	2,842,564.66	5,814,787.24
NET CHANGE IN WORKING CAPITAL	6,344,456.03	2,298,456.34	(179,805.35)	5,873,918.10	1,062,304.72	(10,968.60)	45,504.65	(171,157.70)	(768,583.20)	413,674.29	(42,962.53)	255,222.30

The following table provides an analysis of each of the City's Enterprise and Internal Service funds - showing 2013 revenues and expenditures by fund.

FUND BALANCE	ENTERPRISE FUNDS								INTERNAL SERVICE FUNDS			
	WATER	SEWER	SEWER METRO	STORM	SOLID WASTE	AIRPORT	CEMETERY	GOLF	INSURANCE	FACILITIES	INNOVATION & TECHNOLOGY	EQUIPMENT RENTAL
OPERATING REVENUES												
Charges For Service	2,411,924.26	1,595,858.70	-	1,999,992.87	3,170,865.26	3,790.00	242,448.77	99,245.28	-	-	-	-
Interfund Charges For Service	-	-	-	-	-	-	-	-	-	872,448.00	1,194,420.00	732,721.25
Sewer Metro Service Revenue	-	-	3,418,948.24	-	-	-	-	-	-	-	-	-
Rents, Leases, Concessions, & Other	-	-	-	-	-	148,888.19	-	54,155.08	-	34,618.76	14,715.00	-
TOTAL OPERATING REVENUES	2,411,924.26	1,595,858.70	3,418,948.24	1,999,992.87	3,170,865.26	152,678.19	242,448.77	153,400.36	-	907,066.76	1,209,135.00	732,721.25
OPERATING EXPENSES												
Administration	658,513.99	510,324.35	-	639,494.33	174,748.36	150,996.79	62,898.54	57,884.75	769,075.87	-	-	195,281.84
Operations & Maintenance	1,142,242.73	918,797.74	-	627,083.58	259,420.02	316.84	134,139.76	272,612.00	-	508,247.75	1,240,429.32	296,150.89
Waste Management Payments	-	-	-	-	1,675,050.56	-	-	-	-	-	-	-
Sewer Metro Services	-	-	3,598,755.45	-	-	-	-	-	-	-	-	-
Depreciation & Amortization	603,510.13	471,558.41	-	403,051.01	4,704.82	100,939.54	14,420.84	77,040.34	-	-	116,762.95	194,019.05
TOTAL OPERATING EXPENSES	2,404,266.85	1,900,680.50	3,598,755.45	1,669,628.92	2,113,923.76	252,253.17	211,459.14	407,537.09	769,075.87	508,247.75	1,357,192.27	685,451.78
OPERATING INCOME (LOSS)	7,657.41	(304,821.80)	(179,807.21)	330,363.95	1,056,941.50	(99,574.98)	30,989.63	(254,136.73)	(769,075.87)	398,819.01	(148,057.27)	47,269.47
NON-OPERATING REVENUES & EXPENSES												
Interest Revenue	5,590.01	5,363.39	1.86	4,796.05	298.40	412.53	94.18	146.97	492.67	740.89	1,216.29	2,308.50
Other Non-Operating Revenue	437.86	109,978.35	-	1,679.00	360.00	9,067.00	-	-	-	35,860.00	-	27,983.04
Gain (Loss) On Sale Of Fixed Assets	-	-	-	-	-	-	-	-	-	-	-	4,000.00
Other Non-Operating Expense	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL NON-OPERATING REVENUES & EXPENSES	6,027.87	115,341.74	1.86	6,475.05	658.40	9,479.53	94.18	146.97	492.67	36,600.89	1,216.29	34,291.54
INCOME (LOSS) BEFORE CONTRIBUTIONS & TRANSFERS	13,685.28	(189,480.06)	(179,805.35)	336,839.00	1,057,599.90	(90,095.45)	31,083.81	(253,989.76)	(768,583.20)	435,419.90	(146,840.98)	81,561.01
Contributions ¹	113,928.00	2,133,550.36	-	822,552.75	-	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-	4,962.26	-	-	-	-
Transfers Out	(50,000.00)	(50,000.00)	-	(50,000.00)	-	-	-	-	-	(21,745.61)	-	(7,000.00)
TOTAL CONTRIBUTIONS & TRANSFERS	63,928.00	2,083,550.36	-	772,552.75	-	-	-	4,962.26	-	(21,745.61)	-	(7,000.00)
CHANGE IN FUND BALANCE	77,613.28	1,894,070.30	(179,805.35)	1,109,391.75	1,057,599.90	(90,095.45)	31,083.81	(249,027.50)	(768,583.20)	413,674.29	(146,840.98)	74,561.01
BEGINNING FUND BALANCE - January 1, 2013	67,719,034.00	74,779,493.00	-	49,964,488.00	1,128,442.00	9,439,263.00	872,103.00	8,578,904.00	2,028,681.00	1,415,971.00	4,069,294.00	10,502,921.00
ENDING FUND BALANCE - March 31, 2013	67,796,647.28	76,673,563.30	(179,805.35)	51,073,879.75	2,186,041.90	9,349,167.55	903,186.81	8,329,876.50	1,260,097.80	1,829,645.29	3,922,453.02	10,577,482.01

¹ Sewer contributions reflect System Development Charges resulting from the Goedecke land swap agreement with the WA Department of Transportation.